

ERNIE FLETCHER GOVERNOR

EXECUTIVE ORDER

2006-1298 October 12, 2006

Secretary of State

Frankfort Kentucky

RELATING TO EXECUTIVE BRANCH ENERGY EFFICIENCY AND RENEWABLE ENERGY

WHEREAS, the executive branch of the Commonwealth owns a vehicle fleet of some 5,000 vehicles using almost 5 million gallons of gasoline annually, and

WHEREAS, if the Commonwealth purchases replacement vehicles that, on average, achieve a 10 percent improvement in fuel economy the Commonwealth will save an estimated 2 million gallons of gasoline by the year 2014; and

WHEREAS, increases in energy efficiency and utilization of domestically produced renewable resources can significantly reduce our dependence on imports of petroleum from unstable and unreliable sources; and

WHEREAS, the Commonwealth has an opportunity to enhance the research capability and increase the research capacity at the Commonwealth's publicly supported colleges; and

WHEREAS, research in biofuels has tremendous potential to benefit all Kentuckians in general and the agricultural sector in particular; and

WHEREAS, rate design is one of a number of factors that contribute to the success of energy efficiency programs; and

WHEREAS, well-designed energy efficiency programs are saving energy at an average cost of one-half to two-thirds of the typical cost of new power sources and about one-third of the cost of providing natural gas; and

WHEREAS, the price signals can encourage customers to consume less energy when energy is the most expensive to produce, procure, and deliver; and

WHEREAS, rate design offers opportunities to encourage customers to invest in efficiency where they find it to be cost-effective and to participate in new programs that provide innovative technologies to help customers control their energy costs.

NOW THEREFORE, I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, under the authority vested in me by the Kentucky Constitution, Sections 69 and 81, and the laws of the Commonwealth, do hereby **ORDER** and **DIRECT** the following:

I. The Finance and Administration Cabinet to improve the fuel efficiency of Kentucky's transportation fleet by rightsizing and procuring more fuel-efficient/alternative-use replacement vehicles.



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- II. The Office of Energy Policy to commit \$1,000,000 during this biennium to the research, development, deployment and commercialization of renewable energy and energy efficient projects. This shall include a study of the net benefits of incentives for consumers to purchase Energy Star appliances.
- III. The Office of Energy Policy to produce a study analyzing the impact of incorporating energy efficiency as a goal of retail rate design.
- IV. The Office of Energy Policy to implement education programs for energy efficiency to reduce energy use and to reduce utility bills for the citizens of the Commonwealth.

Commonwealth of Kentucky

TREY GRAYSON Secretary of State

RECEIVED AND FILED DATE 10/12/06 TREY GRAYSON SECRETARY OF STATE COMMONWEALTH OF KENTUCKY